

STATE OF KANSAS

Bill Graves, Governor

Division of Taxation
Kansas Department of Revenue
915 SW Harrison St.
Topeka, KS 66625

DEPARTMENT OF REVENUE

John D. LaFaver, Secretary

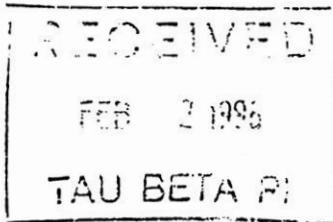


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Customer Relations

January 28, 1998

The Tau Beta Pi Association, Inc.
508 Dougherty Engineering Hall, UTK
PO Box 2697
Knoxville, TN 37901-2697



RE: Tax Exempt Status

Dear Mr. Froula:

The Kansas Department of Revenue has determined that The Tau Beta Pi Association, Inc., is a nonprofit educational institution pursuant to K.S.A. 79-3606(c) and (d), as defined in Revenue Ruling No. 19-86-2.

As such, all purchases or leases of tangible personal property or services made directly by your institution, and used primarily by your institution for nonsectarian educational programs and activities sponsored by your institution or in the erection, repair or enlargement of buildings to be used for such purposes are exempt from Kansas sales and compensating (use) tax.

Furthermore, purchases of tangible personal property or services by contractors for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing, or remodeling buildings or facilities for your institution shall be exempt from Kansas sales and compensating (use) tax, provided your institution obtains from the Kansas Department of Revenue a project exemption certificate as required, and subject to the limitations set fourth in K.S.A. 79-3606(d).

This determination of exemption does not apply to purchases of tangible personal property or services by either your institution or contractors for the erection, construction, repair, enlargement, equipping reconstruction, furnishing or remodeling of buildings, or equipment therein, used primarily for human habitation.

Furthermore, this determination does not relieve your institution of its responsibility for collecting and remitting Kansas sales tax on the total selling price of tangible personal property or taxable labor services sold at retail in Kansas by your institution.

Enclosed is a sales tax exemption certificate for "Educational Institutions," which may be copied as many times as necessary. The completed exemption certificate is to be retained by the seller of the tangible personal property.

This determination should be maintained in your institution's records, and furnished to your institution's vendors upon their request.

If we may be of further assistance, please contact us at your earliest convenience.

Sincerely,

Bob Clelland
Customer Relations
785-296-2473

FOR THE DIRECTOR OF TAXATION